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Aaron J. Bell  
Bell Law Firm, P.C.  
PO Box 1547  
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First American Title Insurance Company  
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18500 Von Karmann Avenue, Suite 600  
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File No: NCS-937442-SA1

141123 - \$10.00 - DG - 03/01/2019 - Benton County

**DEED IN LIEU OF FORECLOSURE  
OF DEED OF TRUST  
(Nonmerger)**

105

**Reference number(s) of related document:**

**Grantor(s):** LCG Kennewick Dave, LLC

**Grantee(s):** Farmers & Merchants Bank of Long Beach

**Abbreviated Legal Description:** Parcel B, Binding Site Plan No. 3753

**Complete legal description:** Attached as "Exhibit A"

**Assessor's Tax Parcel ID No.:** 130994BP3753002

LCG Kennewick Dave, LLC, a Washington limited liability company ("**Grantor**"), for and in consideration of covenants and other valuable consideration, receipt of which is hereby acknowledged, hereby conveys and warrants to Farmers & Merchants Bank of Long Beach, a California corporation ("**Grantee**"), all of Grantor's rights, title and interest, including all after-acquired title and/or interest, and all right and/or equity of redemption establish by law, in and to the real estate situated in Benton County, State of Washington, described in "**Exhibit A**" attached hereto (the "**Real Property**").

The actual consideration for this conveyance is that, upon the acceptance and recording of this Deed Grantee covenants it shall not seek or obtain any monetary relief against Grantor, or its affiliates or principals, based on the indebtedness owing on that certain Promissory Note dated December 22, 2010, which indebtedness is secured by that certain Deed of Trust, on the Real Property dated December 22, 2010, and recorded January 20, 2011, under Auditor's File No. 2011-002282 (the "**Deed of Trust**"). Provided, however, Grantee's covenant not to enforce or seek monetary relief does not apply to any other indebtedness owed by Grantor to Grantee.

For the consideration stated above, Grantor also conveys and warrants to Grantee all of Grantor's rights, title and interest, including all after-acquired title and/or interest, and all right and/or equity of redemption establish by law, in and to the following, to the extent in existence:

1. all buildings and improvements located on or in the Real Property;
2. all water rights, rights to minerals, oil and gas, upon, under and appurtenant to the Real Property;
3. all furniture, fixtures, incinerators, lighting equipment, sprinkler systems, furnaces, hot water heaters, water systems, air condition equipment and all other tangible personalty located on, in, or attached to or used in connection with the Real Property;
4. all of Grantor's right, title and interest in and to all leases, licenses and other occupancy agreements with respect to the Real Property (collectively the "**Leases**") including, without limitation, all rents, deposits revenues, profits, proceeds, issues and other payments or rights to payment derived therefrom or attributable thereto, and any other rights of Grantor as landlord, however evidenced or manifested;
5. all of Grantor's rights in any uncollected recoveries, awards and other payments in connection with any litigation, action, proceeding, or the like, with respect to the Real Property; and
6. all intangible property used by Grantor in connection with the use and operation of the Real Property, including, without limitation, plans and specifications, reports, permits, licenses, certificates of occupancy, development rights, warranties, guaranties, telephone exchanges, trademarks and the name of the Real Property and any building thereon.

All of the foregoing assets and properties, including the Real Property, are referred to hereafter, collectively, as the "**Property**".

Grantor, for the consideration stated above, also hereby certifies, represents, warrants and agrees as follows:

1. It is expressly understood and agreed that all the liens and interests of Grantee in the Property, and all of Grantee's rights and remedies with respect thereto, excluding enforcement and collection against Grantor, including, but not limited to, the remedy of judicial or non-judicial foreclosure, and the equitable estate of Grantee in the Real Property shall not merge with the legal estate and title in the Real Property. To the contrary, Grantee's Deed of Trust, interests, and the beneficial estate of Grantee in the Real Property shall be and remain separate and distinct from the legal estate and title in the Real Property. The Deed of Trust and indebtedness secured by the Deed of Trust shall not be released or relinquished and are preserved and shall continue in full force and effect solely to protect Grantee against any intervening lien, interest or title, or for other purposes of security, but not for purposes of enforcement or collection against Grantor. Further, the priority of the Deed of Trust is not intended to be altered hereby, and nothing herein or in any document or instrument executed in connection herewith shall be construed to subordinate the priority of the Deed of Trust or interests of Grantee to any other liens, encumbrances or interests whatsoever. The Deed of Trust and interests of Grantee shall not merge with the fee or leasehold title to the Real Property unless and until Grantee elects to do so in its sole and absolute discretion by separate document recorded hereafter or, if Grantee so elects, by foreclosure of the Deed of Trust. For the purposes of permitting Grantee to exercise such rights and remedies, Grantor agrees that the statutes of limitation applicable with respect to the

exercise of such rights and remedies under the Deed of Trust are hereby tolled and extended so that the exercise of such rights and remedies shall not be limited under any applicable statutes of limitation, by laches or otherwise; provided, however, except as set forth in paragraph 8, Grantor is released from all monetary obligations under the Deed of Trust, including, without limitation, the obligation to reimburse Grantee for any foreclosure or enforcement costs, including attorney fees, which shall be Grantee's sole responsibility.

2. Grantor and Grantee do not intend to affect the subrogation rights of any third parties by this conveyance or the delivery, acceptance or recording of this Deed.
3. This Deed is intended as a conveyance absolute in legal effect, as well as in form, of the title to the Property to Grantee and this Deed is not intended as security of any kind. Grantor waives, surrenders, and relinquishes any equity of redemption and statutory rights of redemption that Grantor may have in connection with the Property and any party thereof, and the Deed of Trust.
4. Grantee shall retain all payments previously made by Grantor to Grantee, with no duty to account therefor.
5. Grantee shall be entitled to possession of the Property upon Grantee's acceptance of this Deed, subject only to the rights of tenants lawfully in possession. If Grantor or any other person or persons claiming by, through or under Grantor, other than tenants lawfully in possession, remain in possession of the Property following Grantee's acceptance of this Deed, Grantor and such other person(s) shall be deemed a tenant at sufferance holding possession without any agreement to occupy or possess.
6. Grantee does not, expressly or impliedly agree to assume, and shall not have any obligation to discharge or be liable for, any debts, liabilities or obligations of Grantor including, but not limited to, any (a) liabilities or obligations of Grantor with respect to any acts, events or transactions occurring prior to, on, or after the date hereof, (b) liabilities or obligations of Grantor for any federal, state, county or local taxes, (c) liabilities or obligations under any service contracts between Grantor and third parties, including leasing agreements and management agreements other than those which Grantee has, from and after the date hereof, assumed in writing, or (d) any contingent liabilities or obligations of Grantor, whether known or unknown by Grantor or Grantee.
7. Grantor has read and fully understands the terms in this Deed and is not acting under misapprehensions regarding the effect of this Deed, and Grantor is not under any duress, undue influence, or misrepresentations of Grantee, Grantee's agents, lawyers, or any other person. This instrument shall benefit and be binding upon the parties, their heirs, successors and assigns. Grantor makes this conveyance freely and acknowledges there are no agreements, oral or written, other than this Deed, between Grantor and Grantee with respect to the Property, except for that certain Estoppel Affidavit executed by Grantor contemporaneously with this Deed.
8. If: (a) this Deed is avoided by a judgment or order entered by a court of competent jurisdiction or otherwise rendered void, (b) Grantee is required to convey any part of the Property to Grantor or any of its creditors, or (c) any sum paid by Grantor to Grantee is recovered by any person or entity (including, without limitation, a trustee in bankruptcy for Grantor) from Grantee, then Grantor's obligations for the indebtedness secured by the Deed of Trust shall continue or be reinstated (as applicable).

The person whose signature appears below on behalf of Grantor shall execute the Estoppel Affidavit attached hereto as "Exhibit B".

IN WITNESS WHEREOF, Grantor has hereunto set its hand on this 22<sup>nd</sup> day of January, 2019.

**GRANTOR:**

LCG KENNEWICK DAVE, LLC,  
a Washington limited liability company

By: LCGI Mortgage Fund, LLC,  
a California limited liability company,  
its Manager

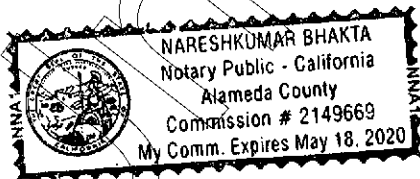
By: Lafayette Capital Group, Inc.,  
Manager

By: Steve Ruegg  
Steve Ruegg  
President

STATE OF CALIFORNIA

County of Costa Mesa ) ss

On this 22 day of January, 2019, before me, the undersigned Notary Public, personally appeared Steven L. Ruegg, known to me or proved to me on the basis of satisfactory evidence to be the President of Lafayette Capital Group, Inc., the Manager of LCG Kennewick Dave, LLC, a Washington limited liability company, that executed the foregoing instrument and acknowledged it to be the free and voluntary act and deed of LCG Kennewick Dave, LLC, by authority of its operating agreement or by resolution of its members, for the uses and purposes therein mentioned, and on oath stated that he is authorized to act on behalf of Lafayette Capital Group, Inc. is authorized to execute the said instrument and in fact executed the said instrument on behalf of LCG Kennewick Dave, LLC and that he is authorized to execute the said instrument and in fact executed the said instrument on behalf of Lafayette Capital Group, Inc.



Naresh Kumar Bhakta  
[Print Name]  
NOTARY PUBLIC in and for the State  
of California, residing at Burnaby CA  
My Commission expires MAY 18, 2020

**EXHIBIT A  
DESCRIPTION OF REAL PROPERTY**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF BENTON, STATE OF WA,  
AND IS DESCRIBED AS FOLLOWS:

**PARCEL I:**

THAT PORTION OF PARCEL 1 BINDING SITE PLAN NO. 3736, ACCORDING TO THE SURVEY THEREOF, RECORDED IN AUDITOR'S FEE NO. 2007-008799, RECORDS OF BENTON COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 30; THENCE SOUTH  $89^{\circ}48'03''$  EAST, 687.63 FEET ALONG THE SOUTH LINE OF SAID SECTION TO THE WEST LINE OF THE EAST 615.90 FEET OF SAID SOUTHWEST QUARTER; THENCE NORTH  $00^{\circ}41'30''$  WEST, 324.19 FEET ALONG SAID WEST LINE TO THE TRUE POINT OF BEGINNING; THENCE NORTH  $89^{\circ}18'30''$  EAST, 84.00 FEET; THENCE SOUTH  $00^{\circ}41'30''$  EAST, 20.85 FEET; THENCE NORTH  $89^{\circ}18'30''$  EAST, 42.71 FEET; THENCE SOUTH  $00^{\circ}41'30''$  EAST, 38.29 FEET; THENCE NORTH  $89^{\circ}18'30''$  EAST, 95.71 FEET; THENCE NORTH  $00^{\circ}41'30''$  WEST, 32.00 FEET; THENCE NORTH  $89^{\circ}18'30''$  EAST, 50.67 FEET TO THE EAST LINE OF SAID PARCEL 1 OF BINDING SITE PLAN NO. 3736; THENCE NORTH  $00^{\circ}41'30''$  WEST, 244.66 FEET ALONG SAID EAST LINE TO THE MOST NORTHEASTERLY CORNER THEREOF; THENCE ALONG THE NORTHERLY AND WESTERLY BOUNDARY OF SAID PARCEL 1 THE FOLLOWING COURSES AND DISTANCES; THENCE SOUTH  $89^{\circ}18'30''$  WEST, 123.09 FEET; THENCE SOUTH  $00^{\circ}41'30''$  EAST, 21.02 FEET; THENCE SOUTH  $88^{\circ}58'10''$  WEST, 150.00 FEET; THENCE SOUTH  $00^{\circ}41'30''$  EAST, 195.61 FEET TO THE TRUE POINT OF BEGINNING.

ALSO SHOWN AS PARCEL B OF BINDING SITE PLAN 3753, RECORDED UNDER AUDITOR'S FILE NO. 2007-017605.

**PARCEL II:**


A PERPETUAL NON-EXCLUSIVE RIGHT PRIVILEGE AND EASEMENT AS SET FORTH IN ACCESS EASEMENT RECORDED APRIL 13, 2007 AS AUDITOR'S FILE NO. 2007-011414.

130994BP3753002

**EXHIBIT A**



I will testify, declare, depose or certify before any competent tribunal, officer, or person, in any case now pending or which may hereafter be instituted, to the truth of the facts set forth herein.

  
STEVEN L. RUEGG

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )ss  
County of Costa Mesa )

On this 22 day of January 2019, before me, the undersigned Notary Public, personally appeared Steven L. Ruegg, known to me or proved to me based on satisfactory evidence, and executed the foregoing instrument and acknowledged it to be his free and voluntary act and deed.

Steven L. Ruegg Notary Public

Alameda County - Below

[Print Name]  
NOTARY PUBLIC in and for the State of California  
residing at \_\_\_\_\_  
My Commission expires \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of ALAMEDA )

On Jan 22, 2019 before me, NARESHKUMAR BHAKTA  
(Date) (Here Insert Name and Title of the Officer)

personally appeared STEVEN L. RUEGG  
(Name(s) of Signer(s))

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)  
(Signature of Notary Public)

